

March 22, 2013

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Ms. Jocelyn Boyd
Chief Clerk and Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210

Re: South Carolina Telephone Coalition Petition to Modify Alternative
Regulation Plans Filed Pursuant to S. C. Code Ann. § 58-9-576(B) to
Take Into Account Recent Action by the Federal Communications
Commission
Docket No. 2013-55-C

Dear Ms. Boyd:

Enclosed for filing on behalf of the South Carolina Telephone Coalition (SCTC) please find the Verified Direct Testimony of H. Keith Oliver in support of the SCTC's Petition, along with a draft Proposed Order for the Commission's consideration. We have circulated the verified testimony and proposed order to all parties, and no party has an objection. Each party has reserved its rights to address any other issues that may arise in this docket,

Thank you for your assistance

Sincerely,

McNAIR LAW FIRM, P.A.



Margaret M. Fox

MMF/rwm
Enclosures

cc: Parties of Record
F. David Butler, Esquire

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BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

Docket No. 2013-55-C

In Re: South Carolina Telephone Coalition Petition)
 to Modify Alternative Regulation Plans Filed)
 Pursuant to S.C. Code Ann. § 58-9-576(B) to)
 Take Into Account Recent Action by the Federal)
 Communications Commission)
_____)

DIRECT TESTIMONY OF H. KEITH OLIVER

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 **A. My name is H. Keith Oliver. My business address is 579 Stoney Landing Road, Moncks**
3 **Corner, South Carolina 29461.**

4 **Q. BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?**

5 **A. I am employed by Home Telephone Company, Inc. as the Company's Senior Vice**
6 **President of Corporate Operations.**

7 **Q. PLEASE BRIEFLY OUTLINE YOUR EDUCATION, TRAINING, AND**
8 **EXPERIENCE IN THE TELECOMMUNICATIONS INDUSTRY.**

9 **A. I received a Bachelor of Science degree in Business Administration from the College of**
10 **Charleston in May 1977. After being licensed as a Certified Public Accountant in May of**
11 **1979, I continued work in public accounting until October of 1984 when I was hired in**
12 **the finance area at Home Telephone Company. In December of 1999, I was named Vice**
13 **President of Finance and in November 2004 promoted to Senior Vice President of**

1 Corporate Operations. In this position, I am responsible for the development and
2 execution of all regulatory and legislative policy matters as well as all financial matters,
3 including various corporate support functions. I have previously served on several South
4 Carolina Telephone Association (“SCTA”) committees. I am also associated with several
5 national organizations. I previously served as chairman of the United States Telecom
6 Association (“USTelecom”), Small Company Caucus which at that time represented over
7 500 small member companies of USTelecom. I also previously served on USTelecom’s
8 telecom policy committee and their regulatory tactics committee. I am a past Chairman
9 of the Board of Directors for the Organization for the Promotion and Advancement of
10 Small Telecommunications Companies (“OPASTCO”). I have appeared before this
11 Commission many times in the past to present testimony on behalf of the SCTA and the
12 South Carolina Telephone Coalition.

13 **Q. ON WHOSE BEHALF ARE YOU OFFERING THIS TESTIMONY?**

14 **A.** I am presenting this testimony on behalf of the South Carolina Telephone Coalition
15 (“SCTC”). A list of the SCTC member companies seeking relief in this matter is
16 attached to the SCTC’s Petition as Exhibit A. Each member of the SCTC is a rural
17 telephone company, as that term is defined in the federal Telecommunications Act of
18 1996. We serve predominantly rural areas of the State.

19 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

20 **A.** The purpose of my testimony is to provide support for the SCTC’s Petition in this matter,
21 and to respectfully request that the Commission take action, pursuant to S.C. Code Ann. §
22 58-9-280(H), to establish new price caps for basic local residential service provided
23 under alternative regulation plans filed by certain SCTC member companies.

1 **Q. WHAT RELIEF ARE THE SCTC COMPANIES SEEKING IN THIS MATTER?**

2 **A.** The existing alternative regulation plans for the participating SCTC member companies
3 cap basic local residential and single-line business service at the *statewide* average rates
4 for such service. The SCTC requests that the Commission establish new price caps for
5 basic local residential service at the applicable *nationwide* average rates for such service.
6 SCTC maintains that this action is necessary in order to allow SCTC member companies
7 the flexibility to meet rate floors established by the Federal Communications
8 Commission (“FCC”), as explained in its recent order comprehensively reforming
9 universal service and intercarrier compensation.¹

10 **Q. HAS THERE BEEN A “CHANGE IN CIRCUMSTANCES” TO WARRANT THE**
11 **ESTABLISHMENT OF NEW PRICE CAPS PURSUANT TO S.C. CODE ANN. §**
12 **58-9-280(H) FOR THE SCTC MEMBER COMPANIES?**

13 **A.** Yes. The FCC’s issuance of the *USF-ICC Transformation Order* constitutes a change in
14 circumstances, which makes it necessary for the petitioning companies to adjust basic
15 local residential rates to the nationwide average as determined by the FCC in order to
16 maintain federal high cost loop support.

17 **Q. AT WHAT LEVEL SHOULD THE NEW PRICE CAPS BE SET?**

18 **A.** It is appropriate and necessary to set new price caps for the petitioning companies at a
19 level equal to the applicable basic local residential nationwide average rate for such
20 service. The national average rate for basic local residential service is currently \$15.62,²

¹ *Report and Order and Further Notice of Proposed Rulemaking, Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208; and FCC 11-161, rel. Nov. 18, 2011 (“*USF-ICC Transformation Order*”).

² See *USF-ICC Transformation Order* at ¶ 236.

1 and will be updated when the FCC recalculates the national average rate to establish the
2 urban rate floor for purposes of receiving HCLS support beginning July 1, 2014.

3 **Q. IS IT IN THE PUBLIC INTEREST TO ESTABLISH NEW RATE CAPS FOR**
4 **BASIC LOCAL RESIDENTIAL SERVICE AT THE NATIONWIDE AVERAGE**
5 **RATE FOR SUCH SERVICE?**

6 **A.** Yes. Allowing SCTC member companies the flexibility they need to meet the FCC's
7 rate floors is in the public interest. The FCC adopted a rule to limit high-cost support
8 where end-user rates do not meet a specified local rate floor in order to meet the statutory
9 mandate of Section 254(b) of the Telecommunications Act of 1996 that "[c]onsumers in
10 all regions of the Nation ... should have access to telecommunications and information
11 services ... that are available at rates that are reasonably comparable to rates charged for
12 similar services in urban areas."³ Furthermore, the FCC's rule was adopted to ensure that
13 consumers in some states are not unfairly contributing to the CAF to support customers in
14 other states whose rates are below a "reasonable level."⁴ Thus, granting the SCTC's
15 request is in the public interest and is consistent with the Telecommunications Act of
16 1996, as amended, because it will help ensure the continued provision of high-quality
17 basic local exchange telephone service at affordable rates to all citizens. Establishing
18 new rate caps equal to the nationwide average rate will assist in ensuring that additional
19 costs are not shifted to the State of South Carolina from the federal jurisdiction, and that
20 South Carolina companies can continue to draw support from the federal universal
21 service support mechanisms.

³ See *USF-ICC Transformation Order* at ¶¶ 234-235.

⁴ See *id.* at ¶ 238.

1 **Q. WHY ARE THE SCTC COMPANIES SEEKING THIS RELIEF PRIOR TO THE**
2 **FCC ESTABLISHING THE 2014 URBAN RATE FLOOR, AND WHY ARE YOU**
3 **REQUESTING EXPEDITED RELIEF?**

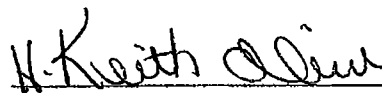
4 **A.** The most recent available calculated national average basic local residential service rate
5 is \$15.62, which was calculated based on 2008 data. While the 2014 rate floor has yet to
6 be determined, it is believed that it will be significantly higher than \$15.62, because that
7 rate was calculated before the imposition of the \$10.00 and \$14.00 rate floors in 2012 and
8 2013, respectively, which logic dictates would have raised the national average rate. It is
9 generally expected that the 2014 urban rate floor will be in the range of \$16.50 to \$17.00.
10 Granting the Petition on an expedited basis will: (a) Give the individual companies the
11 flexibility they need to determine, on a company-by-company basis, whether rate increases
12 are necessary under the circumstances in order to retain federal funding and continue
13 providing basic local service at affordable rates; and (b) Allow the companies to phase in
14 any needed increases over a two-year period in order to mitigate the impact of those
15 increases on their end-user customers to the greatest extent possible.

16 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

17 **A.** Yes, it does.

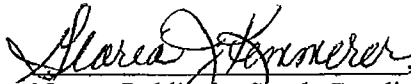
VERIFICATION

I, H. Keith Oliver, first being duly sworn, depose and say that I am Senior Vice President of Corporate Operations of Home Telephone Company, Inc.; that I have read the foregoing pre-filed testimony and know the contents thereof; and that said contents are true.


H. Keith Oliver

SWORN to before me this

22 day of March, 2013.

 L.S.
Notary Public for South Carolina
My Commission expires: 3/9/16

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
Docket No. 2013-55-C

| | | |
|--|---|--------------------------|
| In Re: South Carolina Telephone Coalition Petition |) | |
| to Modify Alternative Regulation Plans Filed |) | |
| Pursuant to S.C. Code Ann. § 58-9-576(B) to |) | PROPOSED ORDER |
| Take Into Account Recent Action by the Federal |) | GRANTING PETITION |
| Communications Commission |) | |
| |) | |

This matter comes before the Public Service Commission of South Carolina (“Commission”) upon the Petition filed by the South Carolina Telephone Coalition ("SCTC") asking the Commission, pursuant to S.C. Code Ann. § 58-9-280(H), to establish new price caps for basic local residential service provided under alternative regulation plans filed by certain SCTC member companies.

According to the SCTC’s Petition, filed on February 8, 2013, the existing alternative regulation plans for the SCTC member companies listed in Exhibit A cap basic local residential and single-line business service at the *statewide* average rates for such service. The SCTC requests that the Commission establish new price caps for basic local residential service at the applicable *nationwide* average rates for such service as determined by the Federal Communications Commission (“FCC”). SCTC maintains that this action is necessary in order to allow SCTC member companies the flexibility to meet rate floors established by the FCC, as explained in its recent order comprehensively reforming universal service and intercarrier compensation.¹ The

¹ *Report and Order and Further Notice of Proposed Rulemaking, Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund*, WC Docket Nos. 10-90, 07-

FCC will require companies to meet certain rate floors in order to be able to draw the amount of federal high cost universal service support for which they are eligible under the *USF-ICC Transformation Order*, which itself represents a significant reduction from current federal universal service funding and intercarrier compensation revenues for the affected companies.² According to the SCTC’s Petition, modifying the alternative regulation plans for SCTC member companies is a necessary step in providing these companies with the flexibility they need in order to ensure the continued provision of basic local exchange telephone service at affordable rates in South Carolina.

A. Background and Relief Requested

On November 18, 2011, the FCC issued the *USF-ICC Transformation Order*, which comprehensively reforms the universal service and intercarrier compensation systems.³ As part of that comprehensive reform, the FCC created the Connect America Fund (“CAF”). The CAF will ultimately replace all existing federal high-cost support mechanisms and much of the intercarrier compensation that flows between carriers today.⁴

As federal universal service support transitions to the CAF, many rate-of-return carriers, including SCTC member companies, will continue, for some time period, to receive support under existing federal support mechanisms, subject to specific modifications that will reduce or limit the amount of federal support they can receive.⁵ Specifically, the FCC established benchmarks to limit reimbursable capital and operations expenses for purposes of determining

135, 05-337, 03-109; GN Docket No. 09-51; CC Docket Nos. 01-92, 96-45; WT Docket No. 10-208; and FCC 11-161, rel. Nov. 18, 2011 (“*USF-ICC Transformation Order*”).

² Among other reforms, the *USF-ICC Transformation Order* limits rate-of-return carriers’ reimbursable capital and operations expense for purposes of determining High Cost Loop Support. *See USF-ICC Transformation Order* at ¶ 196. Additionally, as the Commission is aware from past proceedings, intercarrier compensation is being transitioned away from access and reciprocal compensation to CAF, on a significantly reduced basis, with rate-of-return carriers taking a 5% reduction in total revenues each year. *See id.* at ¶ 899.

³ *See id.*

⁴ *See id.* at ¶ 20, ¶¶ 736-1008.

⁵ *See id.* at ¶ 194.

High Cost Loop Support (“HCLS”) for rate-of-return carriers.⁶ Other changes implemented by the FCC to existing universal service support mechanisms include eliminating safety net additive support; eliminating local switching support; eliminating support for federal rate-of-return companies in any study area that is completely overlapped by an unsubsidized competitor; and capping support at \$250 per line per month.⁷ In addition to these reductions in federal universal service funding, the FCC implemented intercarrier compensation reforms that will drastically reduce the revenues carriers currently receive from other carriers in the form of access and reciprocal compensation charges.⁸

The FCC also directed that, in order to ensure that federal universal service support was not being used to subsidize artificially low end-user rates, HCLS will be reduced, on a dollar-for-dollar basis, to the extent that a carrier’s local rates are below a specified urban local rate floor.⁹ The rate floor will be phased to full implementation on July 1, 2014, and adjusted annually thereafter.¹⁰

More specifically, the FCC will limit high-cost support where local end-user rates plus state regulated fees (specifically, state Subscriber Line Charges or SLCs, state universal service fees, and mandatory extended area service charges) do not meet an urban rate floor representing the national average of local rates plus such state regulated fees.¹¹ The FCC is in the process of phasing in the rate floor in three steps, beginning with an initial rate floor of \$10 for the period July 1, 2012 through June 30, 2013 and \$14 for the period July 1, 2013 through June 30, 2014.¹²

⁶ See *id.* at ¶ 196.

⁷ See *id.* at ¶¶ 198-201.

⁸ See *id.* at ¶¶ 736-1008.

⁹ See *id.* at ¶ 197.

¹⁰ *Id.*

¹¹ See *id.* at ¶ 238.

¹² See *id.* at ¶ 239.

Beginning July 1, 2014, and in each subsequent year, the rate floor will be established after the FCC's Wireline Competition Bureau completes an updated annual survey of voice rates.¹³

Attached hereto as Exhibit A is a table showing current tariffed residential rates and mandatory EAS charges for each SCTC company requesting modification to its alternative regulation plan. There is not a state SLC in South Carolina.¹⁴ As the table indicates, the residential rates for these SCTC companies are above the FCC-established rate floor for the initial two steps, *i.e.* through June 30, 2014. However, the rates for most companies are below the current nationwide average residential rate of \$15.62, and it is likely that the 2014 rate floor to be implemented by the FCC will be even higher.¹⁵

According to the SCTC's Petition, SCTC companies must meet the FCC's rate floor in order to avoid losing existing federal universal service funding that already is being severely limited. The SCTC companies state that it is in the public interest for rural telephone companies to maintain critical federal funding and that, by taking steps to ensure that South Carolina rural companies do not lose critical federal funding for universal service, the Commission will help minimize pressure on state funding mechanisms.

At this time, the FCC has not yet established the urban local rate floor for purposes of determining HCLS support beginning July 1, 2014. It is expected that the first such rate floor will

¹³ *Id.*

¹⁴ We have not included a calculation of state universal service fees in the companies' residential end-user rates at this time, for a number of reasons. First, the imposition of a State universal service fee is not mandatory in South Carolina, and it is not known whether such a fee should be included. Second, if it must be included, it is unclear how the fee should be calculated for purposes of the FCC's rate floor. In South Carolina, there is no set fee. Instead, companies that impose a fee are required to assess the charge based on a percentage of end user retail telecommunications revenues. The current State USF surcharge is 2.5992% which, if applied to the statewide average residential rate of \$14.35, equals approximately 37 cents. The State USF surcharge percentage is recalculated annually and is subject to change. At the appropriate time, and prior to adjusting any rates to meet specific rate floors, the SCTC companies expect to receive guidance on whether and how state universal service fees are to be included in determining the amount.

¹⁵ According to the FCC, the 2008 national average residential rate was \$15.62. *See USF-ICC Transformation Order* at ¶ 236. The FCC was referencing data submitted by NECA summarizing R-1 rates for over 600 companies – “a broad cross-section of carriers that typically receive universal service support.” While the 2014 rate floor has yet to be calculated, it is generally believed that it will be in the range of \$16.50 to \$17.00.

be determined by the FCC in the second half of 2013 to be implemented before July 1, 2014, with new rate floors established thereafter on an annual basis. The SCTC member companies are requesting the flexibility to be able to adjust rates to meet any rate floors established by the FCC as a condition to receiving federal high cost loop support.

The SCTC companies are seeking this relief on an expedited basis. According to the SCTC's Petition, granting the Petition on an expedited basis will: (a) Give the individual companies the flexibility they need to determine, on a company-by-company basis, whether rate increases are necessary under the circumstances in order to retain federal funding and continue providing basic local service at affordable rates; and (b) Allow the companies to phase in any needed increases over a two-year period in order to mitigate the impact of those increases on their end-user customers to the greatest extent possible.

B. Legal Authority

Basic local residential rates of companies that are currently under alternative regulation pursuant to S.C. Code Ann. § 58-9-576(B) are subject to price caps. Currently, rural telephone companies operating under alternative regulation plans pursuant to S.C. Code Ann. § 58-9-576(B) may raise their basic local residential rates to the statewide average, and then the rate is frozen for two years.¹⁶ After the two-year freeze, basic local residential rates may be adjusted on an annual basis pursuant to an inflation-based index.¹⁷ Attached hereto as Exhibit B is a list of the SCTC member companies operating under alternative regulation, along with the effective dates on which they elected alternative regulation under S.C. Code Ann. § 58-9-576(B).

S.C. Code Ann. § 58-9-280(H) provides in part: "Any local exchange carrier, upon a showing of changed circumstances or that it is necessary or appropriate to realign rates with the

¹⁶ See S.C. Code Ann. § 58-9-576(B)(3).

¹⁷ See S.C. Code Ann. § 58-9-576(B)(4).

costs of various telecommunications components, may petition the commission to reexamine any rates that have been capped pursuant to the provisions of [Chapter 9 of Title 58 of the S.C. Code of Laws] and to set new price caps.”

According to the SCTC’s Petition, the FCC’s issuance of the *USF-ICC Transformation Order* constitutes a change in circumstances, which makes it necessary for the companies to adjust basic local residential rates to the nationwide average as determined by the FCC in order to maintain federal high cost loop support.

SCTC has filed verified Testimony of H. Keith Oliver in support of its Petition. According to Mr. Oliver’s testimony, the FCC’s issuance of the *USF-ICC Transformation Order* constitutes a change in circumstances, which makes it necessary for the companies to adjust basic local residential rates to the nationwide average as determined by the FCC in order to maintain federal high cost loop support. Mr. Oliver testifies further that it is appropriate and necessary to set new price caps for the petitioning companies at a level equal to the applicable basic local residential nationwide average rate(s) for such service, which is currently \$15.62 and will be updated when the FCC recalculates the national average rate to establish the urban rate floor for purposes of receiving HCLS support beginning July 1, 2014. Mr. Oliver testifies that granting the SCTC’s Petition is in the public interest and is consistent with the Telecommunications Act of 1996, because it will help ensure the continued provision of high-quality basic local exchange telephone service at affordable rates to all citizens. Granting the Petition will also assist in ensuring that additional costs are not shifted to the State of South Carolina from the federal jurisdiction, and that South Carolina companies can continue to draw support from the federal universal service support mechanisms.

FINDINGS AND CONCLUSIONS

1. The FCC's issuance of the *USF-ICC Transformation Order* constitutes a change in circumstances, which makes it necessary for the petitioning companies to adjust basic local residential rates to the nationwide average as determined by the FCC in order to maintain federal high cost loop support.

2. It is appropriate and necessary to set new price caps for the petitioning companies at a level equal to the applicable basic local residential nationwide average rate(s) for such service. This rate level is currently \$15.62, and will be updated when the FCC recalculates the national average rate to establish the urban rate floor for purposes of receiving HCLS support beginning July 1, 2014.

3. Allowing SCTC member companies the flexibility they need to meet the FCC's rate floors is in the public interest. The FCC adopted a rule to limit high-cost support where end-user rates do not meet a specified local rate floor in order to meet the statutory mandate of Section 254(b) of the Telecommunications Act of 1996 that "[c]onsumers in all regions of the Nation ... should have access to telecommunications and information services ... that are available at rates that are reasonably comparable to rates charged for similar services in urban areas."¹⁸ Furthermore, the FCC's rule was adopted to ensure that consumers in some states are not unfairly contributing to the CAF to support customers in other states whose rates are below a "reasonable level."¹⁹ Thus, granting the SCTC's request is in the public interest and is consistent with the Telecommunications Act of 1996, as amended, because it will help ensure the continued

¹⁸ See *USF-ICC Transformation Order* at ¶¶ 234-235.

¹⁹ See *id.* at ¶ 238.

provision of high-quality basic local exchange telephone service at affordable rates to all citizens.

4. The steps outlined above will assist in ensuring that additional costs are not shifted to the State of South Carolina from the federal jurisdiction, and that South Carolina companies can continue to draw support from the federal universal service support mechanisms.

5. Granting the Petition on an expedited basis will: (a) Give the individual companies the flexibility they need to determine, on a company-by-company basis, whether rate increases are necessary under the circumstances in order to retain federal funding and continue providing basic local service at affordable rates; and (b) Allow the companies to phase in any needed increases over a two-year period in order to mitigate the impact of those increases on their end-user customers to the greatest extent possible.

IT IS THEREFORE ORDERED THAT:

(1) New price caps for basic local residential service provided under alternative regulation plans filed by SCTC member companies, pursuant to S.C. Code Ann. § 58-9-280(H), are hereby established at the applicable nationwide average rates for such service (currently \$15.62, and to be calculated on an annual basis by the FCC);

(2) The requested relief is granted on an expedited basis; and

(3) This Order shall remain in effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

David A. Wright, Chairman

ATTEST:

Randy Mitchell, Vice Chairman

(SEAL)

EXHIBIT A
Affected SCTC Companies' Current Residential (R1) Rates Including Mandatory EAS Charges

| | <u>Rate</u> |
|---|--------------------------|
| Chester Telephone Company (TruVista) | \$ 13.95* |
| Farmers Telephone Cooperative, Inc. | \$ 14.35 |
| Ft. Mill Telephone Company (Comporium) | \$ 14.35 |
| Home Telephone Company, Inc. | \$ 14.35 |
| Horry Telephone Cooperative, Inc. | \$ 13.50 |
| Lancaster Telephone Company (Comporium) | \$ 19.35 (Heath Springs) |
| All other Lancaster Exchanges | \$ 14.35 |
| Lockhart Telephone Company (TruVista) | \$ 11.90* |
| McClellanville Telephone Company | \$ 14.35 |
| Norway Telephone Company | \$ 14.35 |
| Piedmont Rural Telephone Cooperative, Inc. | \$16.15 (Enoree) |
| All other Piedmont Exchanges | \$ 14.35 |
| PBT Telecom | \$ 14.35 |
| Ridgeway Telephone Company (TruVista) | \$ 13.95* |
| Rock Hill Telephone Company (Comporium) | \$ 14.35 |
| St. Stephen Telephone Company | \$ 14.35 |
| West Carolina Rural Telephone Cooperative, Inc. | \$ 14.35 |
| Williston Telephone Company | \$ 14.35 |

*Note: The rates reported for TruVista companies in the SCTC's Petition were incorrect. These are corrected numbers.

EXHIBIT B
Alternative Regulation Status of Affected Companies

| | <u>Effective Date</u> |
|---|-----------------------|
| Chester Telephone Company (TruVista) | May 18, 2007 |
| Farmers Telephone Cooperative, Inc. | May 1, 2008 |
| Ft. Mill Telephone Company (Comporium) | August 1, 2005 |
| Home Telephone Company, Inc. | April 7, 2006 |
| Horry Telephone Cooperative, Inc. | March 28, 2003 |
| Lancaster Telephone Company (Comporium) | August 1, 2005 |
| Lockhart Telephone Company (TruVista) | May 18, 2007 |
| McClellanville Telephone Company | May 30, 2005 |
| Norway Telephone Company | May 30, 2005 |
| Piedmont Rural Telephone Cooperative, Inc. | January 12, 2007 |
| PBT Telecom | February 18, 2006 |
| Ridgeway Telephone Company (TruVista) | May 18, 2007 |
| Rock Hill Telephone Company (Comporium) | August 1, 2005 |
| St. Stephen Telephone Company | May 30, 2005 |
| West Carolina Rural Telephone Cooperative, Inc. | October 16, 2006 |
| Williston Telephone Company | May 30, 2005 |

DOCKET NO. 2013- 55 - C

CERTIFICATE OF SERVICE

COLUMBIA 1105434v2